

and DPC in regard to obligations under the counter guarantee issued to the project by GoI, are also presently in progress. Efforts are being made by the GoI to facilitate an early resolution to the issues and the GOI has appointed its nominee on the Negotiating Committee set up by the State Government. It would be premature to comment on any possible harm to the nation on account of delays, etc., at a time when the negotiation/conciliation process is in progress. Several meetings have been held of the Negotiating Committee and also at the GoI level. However a final settlement has not been reached by the parties concerned.

#### **Power Generation through Captive Power Projects**

† 1145. SHRI .KAPIL SIBAL:

SHRI RAJIV RANJAN SINGH 'LALAN':

Will the Minister of POWER be pleased to state:

- (a) whether it is a fact that certain industries are generating power in the country through captive power projects to fulfil their fuel related needs;
- (b) if so, total quantity of power being generated through this medium in the country and the installed generation capacity of these projects;
- (c) whether a decision has been taken to earmark the surplus power produced by these projects for the use of common men through the medium of power grid;
- (d) if so, the details thereof; and
- (e) the average generation cost of these projects?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) Yes, Sir.

(b) Details regarding the total installed capacity and the quantity of power being generated by captive power plants are not available as under Section 44 of the Electricity (Supply) Act, 1948, the State Electricity Boards give consent to setting up of captive power plants by various industries. However, as per information available with the

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† Original notice of the question was received in Hindi.

Central Electricity Authority, as on March 31, 1999, 20 selected industries (having an installed capacity of 1 MW and above) have set up a captive generating capacity of 13,932 MW in the country which generated 48354 Gwalias of power. Details are given in the Statement (*See* below).

(c) and (d) On July 11, 2001 the Ministry of Power has circulated a Captive Power Policy prepared by the Ministry of Power in consultation with the CEA to all the State Governments and Union Territories. In this policy, the following has been reiterated.

- \* If captive plant is of Hydro or Cogeneration, such plant, irrespective of its size, may be permitted liberally.
- \* If captive power plant is based on coal or liquid fuel or gas such plant may be allowed and capacity of the plant permitted up to 200% of the requirement of industry (If the State is deficit in power).
- \* Captive power plant may be allowed in State/SEB or successor entity are unable to supply the required power supply. Such a captive power plant can be considered for the uninterrupted power supply to the industry even if the State is surplus in power.
- \* If the industry requires quality power supply which is not available, the proposal for installation of the captive power plant can be considered.
- \* If the cost of generation from captive power plant is found to be lower, the proposal may be considered after examining the cost and tariff.
- \* Units in Special Economic Zone (SEZs) and/industrial entities may be allowed to set up captive power plants liberally.
- \* Banking facilities are proposed to be provided to CPPs. The rates for banking may be determined on mutually agreed terms.
- \* Prior approval of SEB has to be obtained for wheeling of power. Wheeling will be done to any service (HT or LT).

Wheeling charges may be worked out based on pooled rates worked out by Central/State Transmission Utility of that region.

\* The tariff for sale of power from thermal CPPs, may be fixed after mutual discussion and could be based on" pooled variable charge of thermal power stations operating in the SEB plus some percentage of the pooled variable/charges as incentive. Tariff could also be based on the highest variable/cost in the system or actual variable cost of CPP, whichever is lower and some percentage of the variable cost as an incentive.

\* Third party sale is also permissible with the approval of SEB.

(e) It is not practical or meaningful to compute the average cost of the captive power projects as their cost is dependent on various factors like the type of project, *viz.* Hydro or thermal, fuel used, coal, liquid fuel, natural gas, etc. distance of the project from the fuel source, technology used, the mode of financing etc.

### Statement

*Details of industries which have set up a captive generating capacity as on March 31, 1999*

S.No.	Name of Industry	Installed Capacity (MW)	Energy (GWH)	Generation
1.	Aluminium	1742		11182
2.	Automobiles	231		371
3.	Cement	1466		3528
4.	Chemicals, Mineral Oil & Petroleum	1993		7091
5.	Fertilizers	1155		4322
6.	Food	115		60
7.	Heavy & Light Engineering	453		263
8.	Iron & Steel	1686		7416

9.	Mining & Quarrying	38	21
10.	Non-Ferrous Metal	424	1187
11.	Paper	599	2205
12.	Sugar	786	1771
13.	Textile	1884	5161
14.	Sub-Total (1 to 13) to	12572	44578
15.	Other Industries	1360	3776
TOTAL (14 to 15)		13932	48354

### Central power project in North East States

1146. SHRI W. ANGOU SINGH: Will the Minister of POWER be pleased to state:

- (a) the number of Central power projects which have been sanctioned but not started yet in the North East States;
- (b) the reasons for delay in starting these projects; and
- (c) the funds sanctioned and released so far?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) and (b) Only one central sector power project in North East States *viz.* Loktak Down Stream HEP (3x30 MW) in District Tamenlong of Manipur which was accorded Government approval has not been taken up for active project work. This project was accorded Government approval on 30.12.1999 for execution by NHPC at an estimated cost of Rs.578.72 crore for commissioning by June, 2006. However, active work could not be taken up in the project on account of security consideration and problems in land acquisition. The State Government has been requested to firm up all the requisite arrangements urgently so that work could commence by 1.10.2001 on road construction.

- (c) The approved allocation for this project during 2000-2001 was